

do we need to mark something up on Wednesday? Well, the issue is that we were talking about the futures market. As I just read, these companies are very adept at manipulating the futures market and the physical market to get their best gain. We are asking our colleagues to vote for transparency in the physical market of indexes traded after the product is refined.

We know that there is a world oil price. We know that it is refined. But what we can't figure out is, after it is refined, why—particularly on the West Coast—is it at exorbitant rates, well over the national average and paying well over what we think market fundamentals determine?

We saw, at a hearing that we had before the Commerce Committee, energy experts testify that some of these fundamentals do not make sense; that something else is going on in the market. So why turn down the opportunity for us, as a Federal Government, to get more transparency in these energy markets? Why would anybody want to say that more transparency over these indexes is not a good idea?

Well, some of our colleagues—I am not sure, because they offered no substantive amendments to the legislation before us. In fact, those that were, what I would say, some improvements around the edges to the bill, we actually accepted in committee. The rest of the amendments offered were all about the issues and discussions of more supply, which were out of the jurisdiction of our committee, and I encouraged my colleagues to take them up on the Senate floor.

So no substantive changes were offered to this legislation. Nobody objected on the basis of the idea that transparency is a bad idea. And yet people are holding on to an idea that they don't want to answer about this issue of manipulation.

Trust me, I was shocked when I was elected to the U.S. Senate, before I was even sworn in, to find out that we were in an energy crisis; that somehow the price of electricity had gone from some of the cheapest in the United States to the most exorbitant price ever, 3,000 times the rate. I thought this couldn't possibly be a scheme. This couldn't possibly be something perpetrated because, obviously, we would catch that. Obviously, we have a policeman on the beat. Well, it turned out that the California market, what is called the ISO, really wasn't catching it, and there really was manipulation by Enron.

Enron manipulated the supply of electricity by cooking up various schemes to move supply out of California to create artificial shortages and then drive up the price of electricity. They had traders who lied on the phone to people buying long-term contracts, telling them: Buy the long-term contract because the price is going up. And an analyst saying to a trader, and the trader replying back: That is not true. And the analyst saying: Tell them anyway. That is the kind of thing that we need to police.

So I was shocked to find that one of my first tasks being a U.S. Senator was going to be to spend 2 years policing electricity just so my State and the State of Nevada would not pay on fraudulent contracts for more than a decade.

I guarantee you, not only would the lights in Vegas have gone out, but much of the Washington economy would have been affected.

This is so important now because these high gas prices are affecting every sector of transportation. It is affecting our airline economy. It is affecting our trucking economy. I have heard from our railroads on the diesel engine prices. It is affecting every part of our economy while we have to pay more.

And even if it is 50 cents—as one of the witnesses testified, it may be as much as 50 cents a gallon that is artificially being put onto the consumers—why would you not want to know the answer and simply give the Federal Trade Commission the authority to make sure that these markets are properly policed for unfair and deceptive practices?

I know my colleague who is presiding knows because we have even had suggestions from the Federal Energy Regulatory Commission that the practice is so bad among energy traders that we should consider legislation to ban energy traders who continue to perpetrate these schemes. That is right, they go from one company to another company. They know how the schemes work. They think it is just the price of doing business. Even if they get caught, they will just pay the fine, like Glencore is paying now.

If you think about it, this \$1.1 billion is one of the largest oil market manipulation cases ever. People probably aren't hearing about it this week because of other stories that are in the news. But trust me, this kind of behavior needs to be rooted out.

So, Madam President, I hope that when my colleagues return, I hope that they will spend the recess asking their constituents whether they think there needs to be more transparency in oil markets. I will be very surprised if they don't say that something is going on, and we want to know what it is. That is because consumers have felt for a long time a disconnection between market fundamentals of supply and demand.

And, yes, there have been some changes in supply as it relates to what we are facing on an international basis. My constituents understand that. But we have always been an isolated market in the Pacific Northwest for refineries in my State, most of the supply coming from Alaska. And yet we pay the highest prices in the Nation. So our constituents want to know why.

My colleagues, Senator WYDEN, Senator FEINSTEIN, and I have prosecuted these issues. We have asked for more information and transparency. In both instances, when we were successful

with electricity and natural gas, we did find behavior that needed to be rooted out. And here, we have proof now in this Glencore case that there is manipulation in oil markets. We are simply asking that, just don't leave it to the futures market, because if you want to give law enforcement, the Department of Justice, our attorneys general, others, the tools to root out bad behavior—even if it is 5 cents a gallon, it is worth fighting for. Even if it is a few cents more to uncover and drive down the cost, it is worth it to our constituents, who are paying exorbitant prices.

Let's make sure everybody understands in a tight supply, it is a lot easier to do manipulation, and that is why we need to get this done now.

I wish that the authority that we had given to the Federal Trade Commission on this issue in 2007 would have been used, but the point is, you actually have to have people and the information to prosecute these cases.

My colleagues at the Federal Energy Regulatory Commission built such a unit. That unit, as I said, has been successful in monitoring electricity and natural gas. I hope that they will emulate what the Federal Energy Regulatory Commission has done.

I am proud that the CFTC and our Attorney General, Merrick Garland, made this announcement on Tuesday of this unbelievable manipulation, of bribery, of schemes, of all of the work that goes behind the scenes for people to make billions of dollars of profits when we and our consumers are being gouged with extra prices.

Let's find the answers. Let's do something as basic as passing a law about transparency on a product—petroleum—that is so critical to our economy.

I yield the floor.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. SCHUMER. Madam President, I move to proceed to executive session to consider Calendar No. 477.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Alex Wagner, of the District of Columbia, to be an Assistant Secretary of the Air Force.

CLOTURE MOTION

Mr. SCHUMER. Madam President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 477, Alex